



Department of Justice

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SALEM MAN SENTENCED FOR HEALTH CARE FRAUD

PRESS RELEASE

INDIANAPOLIS - James Moore, 62, Salem, Indiana, was sentenced to 12 months and one day in prison today by U.S. District Court Chief Judge David F. Hamilton following his guilty plea to health care fraud, announced Timothy M. Morrison, United States Attorney for the Southern District of Indiana, and Greg Zoeller, Indiana Attorney General. This case was the result of a investigation by the United States Health and Human Services Office of Inspector General and the Indiana Attorney General, Medicaid Fraud Control Unit.

Medi-Ride, Inc. was a transportation business located in Salem, Indiana, owned and operated by Moore. In a review of Medicaid transportation providers Medi-Ride was identified as having been paid an unusual amount of money by Medicaid for a business located in Salem, and was noted as having an unusually large number of transports of non-ambulatory patients. Medicaid reimburses a provider twice as much for a non-ambulatory client as an ambulatory client (generally, \$20 and \$10).

Moore incorporated Medi-Ride around 1990. His billings to Medicaid for transporting ambulatory and non-ambulatory clients appeared typical until 2003, at which time his claims for non-ambulatory transports increased at an aberrant rate.

Moore maintained a detailed list of all his clients, and it showed that out of 446 ambulatory clients 415 were Medicaid recipients, but 100% of Moore's Medicaid claims were for non-ambulatory transports. A random group of Moore's transports were observed by law enforcement, and people transported by Moore who were fully ambulatory were subsequently billed as if they were non-ambulatory.

During an interview by agents, Moore initially claimed he thought that, because the seats in his transport van were removable and on rollers, that transporting someone in one of those

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seats justified billing as a transportation in a "wheelchair." Moore subsequently acknowledged that he did not genuinely believe this explanation, and that he knew it was wrong to bill for non-ambulatory transports for people who can walk.

Based on the total amount paid by Medicaid to Moore for Moore's fraudulent billings to Medicaid from January 2003 through December 2007, Medicaid overpaid Moore \$348,698.11.

"Billing Medicaid to chauffeur patients who are not wheelchair-bound using a wheelchair van is an old scam that has not improved with age. Indiana's Medicaid Fraud Control Unit and the U.S. Attorney's Office have coordinated an aggressive response to go after those individuals who, out of dishonesty and greed, bill the taxpayers more than they are owed. In this case, we are extremely pleased to see that restitution was paid," Indiana Attorney General Greg Zoeller said.

According to Assistant U.S. Attorney Winfield D. Ong, who prosecuted the case for the government, Judge Hamilton also imposed three years supervised release following Moore's release from prison. Moore was fined in the amount of \$40,000.

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